

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2000 AMENDMENT AND
TRANSITIONAL RULE**

Pub. L. 106-433, §3, Nov. 6, 2000, 114 Stat. 1910, provided that:

“(a) IN GENERAL.—The amendments made by this Act [amending this section] shall apply with respect to all mailings of checks or other drafts issued on or after the date which is 3 years after the date of the enactment of this Act [Nov. 6, 2000].

“(b) PHASE-IN OF AMENDMENTS.—Effective on the date of the enactment of this Act, the Secretary of the Treasury shall commence procedures to gradually implement the amendments made by this Act in advance of the effective date described in subsection (a). Not later than 1 year after the date of the enactment of this Act, and annually thereafter for each of the next 2 years, the Secretary shall transmit to each House of the Congress a report describing the manner and extent to which the requirements of the preceding sentence have been carried out.”

§ 3328. Paying checks and drafts**(a) TIME LIMIT ON TREASURY CHECKS.—**

(1) IN GENERAL.—Except as provided in sections 3329 and 3330 of this title—

(A) the Secretary shall not be required to pay a Treasury check issued on or after the effective date of this section unless it is negotiated to a financial institution within 12 months after the date on which the check was issued; and

(B) the Secretary shall not be required to pay a Treasury check issued before the effective date of this section unless it is negotiated to a financial institution within 12 months after such effective date.

(2) DEFERRAL PENDING SETTLEMENT.—Notwithstanding the time limitations imposed by paragraph (1), if the Secretary is on notice of a question of law or fact about whether a Treasury check is properly payable when the check is presented for payment, the Secretary may defer payment on such check until the question is settled.

(3) Nothing in this subsection shall be construed to affect the underlying obligation of the United States, or any agency thereof, for which a Treasury check was issued.

(b)(1) If a check issued by a disbursing official and drawn on a designated depository is not paid by the last day of the fiscal year after the fiscal year in which the check was issued, the amount of the check is—

(A) withdrawn from the account with the depository; and

(B) deposited in the Treasury for credit to a consolidated account of the Treasury.

(2) A claim for the proceeds of an unpaid check under this subsection may be paid from a consolidated account by a check drawn on the Treasury.

(c) A limitation imposed on a claim against the United States Government under section 3702 of this title does not apply to an unpaid check drawn on the Treasury or a designated depository.

(d) The Secretary may prescribe regulations the Secretary decides are necessary to carry out subsections (a)-(c) of this section.

(e)(1) The Secretary shall prescribe regulations on—

(A) enforcing the speedy presentation of Government drafts;

(B) paying drafts, including the place of payment; and

(C) paying drafts if presentment is not made as required.

(2) Regulations prescribed under paragraph (1) of this subsection shall prevent, as far as may be practicable, Government drafts from being used or placed in circulation as paper currency or a medium of exchange.

(f) AUTHORITY TO DECLINE PAYMENT.—Nothing in this section limits the authority of the Secretary to decline payment of a Treasury check after first examination thereof at the Treasury.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 952; Pub. L. 100-86, title X, §1002, Aug. 10, 1987, 101 Stat. 658; Pub. L. 104-316, title I, §115(d), Oct. 19, 1996, 110 Stat. 3834.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
3328(a)(1)	31:132(a).	July 11, 1947, ch. 222, §1, 61 Stat. 308; restated Aug. 28, 1957, Pub. L. 85-183, §1, 71 Stat. 464.
3328(a)(2)	31:134(less last 30 words before 1st proviso).	July 11, 1947, ch. 222, §3, 61 Stat. 309; restated Aug. 28, 1957, Pub. L. 85-183, §2, 71 Stat. 464.
3328(b)	31:132(b).	
3328(c)	31:132(c).	
3328(d)	31:134(last 30 words before 1st proviso).	
3328(e)	31:527	R.S. §3645.

In the section, the word “Treasury” is substituted for “Treasurer of the United States” because of the source provisions restated in section 321 of the revised title and Department of the Treasury Order 229 of January 14, 1974 (39 F.R. 2280).

In subsections (a)(1) and (b), the words “Comptroller General” are substituted for “General Accounting Office” for consistency.

In subsections (a)(1) and (c), the words “heretofore or hereafter” are omitted as surplus.

In subsection (a)(1), the words “Except as provided in sections 3330 and 3331 of this title” are added for clarity. The words “including those drawn by wholly owned and mixed-ownership Government corporations” are omitted as surplus. The words “Secretary of the Treasury” are substituted for “Treasurer of the United States” after “for payment the” because of the source provisions restated in section 321(c) of the revised title. The words “doubtful”, “for payment”, and “of such check” are omitted as surplus.

In subsection (a)(2), before clause (A), the words “When the Secretary decides it is appropriate” are substituted for “at appropriate intervals” for clarity. In clauses (A) and (B), the words “on the books” are omitted as surplus. In clause (A), the words “drawn on the Treasury” are added for clarity and consistency. In clause (B), the words “from the accounts . . . for the payment of unpaid checks . . . of the Treasury” are omitted as surplus. The words “and to transfer to such consolidated account or accounts the balance of the special deposit account established pursuant to section 132 of this title”, and the words “any unpaid checks heretofore payable from the special deposit account”, are omitted as executed because the account was established under 31:132 as originally enacted in 1947 and then abolished by the 1957 amendment to that section. The text of 31:134(1st proviso) is omitted as superseded by section 448 of the Act of December 24, 1973 (Pub. L. 93-198, 87 Stat. 801). The text of 31:134(last proviso) is omitted as executed.

In subsection (b)(1), before clause (A), the words “issued by a disbursing official” are substituted for

“drawn by authorized officers of the United States” for consistency. In clause (B), the words “or accounts on the books” are omitted as surplus.

Subsection (c) is substituted for 31:132(c) for consistency and to eliminate unnecessary words.

In subsection (d), the words “rules and” and “or proper” are omitted as surplus.

In subsection (e)(1), before clause (A), the word “prescribe” is substituted for “issue and publish” for consistency in the revised title and with other titles of the United States Code. In clause (B), the words “and to prescribe the time, according to the different distances of the depositories from the seat of Government, within which all drafts upon them, respectively, shall be presented for payment” are omitted as superseded by subsection (a) of the revised section. Clause (C) is substituted for 31:527(words between semicolons) to eliminate unnecessary words.

In subsection (e)(2), the words “and directions” are omitted as surplus.

Editorial Notes

REFERENCES IN TEXT

The effective date of this section, referred to in subsec. (a)(1), probably means the effective date of subsec. (a) of this section as amended by section 1002 of Pub. L. 100-86, which is effective 6 months after Aug. 10, 1987, or on such later date as the Secretary of the Treasury may prescribe in regulations. See section 1006 of Pub. L. 100-86, set out as a note below.

AMENDMENTS

1996—Subsec. (a)(2). Pub. L. 104-316, §115(d)(1), substituted “until the question is settled” for “until the Comptroller General settles the question”.

Subsec. (b)(2). Pub. L. 104-316, §115(d)(2), struck out “on settlement by the Comptroller General” after “the Treasury”.

Subsec. (d). Pub. L. 104-316, §115(d)(3), substituted “The” for “With the approval of the Comptroller General, the”.

1987—Subsec. (a). Pub. L. 100-86, §1002(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows:

“(1) Except as provided in sections 3329 and 3330 of this title, a check drawn on the Treasury may be paid at any time. However, if the Secretary of the Treasury is on notice of a question of law or fact about the check when the check is presented, the Secretary shall defer payment until the Comptroller General settles the question.

“(2) When the Secretary decides it is appropriate, the Secretary may transfer—

“(A) the amount of an unpaid check drawn on the Treasury from the account on which it was drawn to a consolidated account of the Treasury available for paying checks; and

“(B) an amount available, but not required, for paying checks drawn on the Treasury to the appropriate receipt account.”

Subsec. (f). Pub. L. 100-86, §1002(2), added subsec. (f).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1987 AMENDMENT

Pub. L. 100-86, title X, §1006, Aug. 10, 1987, 101 Stat. 659, provided that: “The amendments made by sections 1002, 1003, and 1004 [enacting section 3334 of this title and amending this section and sections 3702 and 3712 of this title] shall become effective 6 months after the date of enactment of this Act [Aug. 10, 1987] or on such later date as the Secretary of the Treasury may prescribe in regulations.”

REGULATIONS

Pub. L. 100-86, title X, §1005, Aug. 10, 1987, 101 Stat. 659, provided that: “The Secretary of the Treasury may

prescribe such rules, regulations, and procedures as the Secretary deems necessary to implement the amendments made by sections 1002, 1003, and 1004 [enacting section 3334 of this title and amending this section and sections 3702 and 3712 of this title], including the recertification of Treasury checks which have been canceled or for which a claim has been asserted or barred.”

§ 3329. Withholding checks to be sent to foreign countries

(a) The Secretary of the Treasury shall prohibit a check or warrant drawn on public money from being sent to a foreign country from the United States or from a territory or possession of the United States when the Secretary decides that postal, transportation, or banking facilities generally, or local conditions in the foreign country, do not reasonably ensure that the payee—

- (1) will receive the check or warrant; and
- (2) will be able to negotiate it for full value.

(b)(1) If a check or warrant is prohibited from being sent to a foreign country under subsection (a) of this section, the drawer shall hold the check or warrant until the end of the calendar quarter after the date of the check or warrant.

(2) The Secretary may release the check or warrant for delivery during the calendar quarter after the date of the check or warrant if the Secretary decides that conditions have changed to ensure reasonably that the payee—

- (A) will receive the check or warrant; and
- (B) will be able to negotiate it for full value.

(3) Unless the Secretary otherwise directs, the drawer shall send at the end of the calendar quarter after the date of the check or warrant the—

- (A) withheld check or warrant to the drawee; and
- (B) report to the Secretary on—
 - (i) the name and address of the payee;
 - (ii) the date, number, and amount of the check or warrant; and
 - (iii) the account on which the check or warrant was drawn.

(4) The drawee shall transfer the amount of a withheld check or warrant from the account of the drawer to the special deposit account “Secretary of the Treasury, Proceeds of Withheld Foreign Checks”. The check or warrant shall be marked “Paid into Withheld Foreign Check Account”. The Secretary shall credit the accounts of the drawer and drawee.

(c) The Secretary may pay an amount deposited in the special account under subsection (b)(4) of this section with a check drawn on the account when—

- (1) a person claiming payment satisfies the Secretary of the right to the amount of the check or warrant (or satisfies the Secretary of Veterans Affairs if the claim represents a payment under laws administered by the Secretary of Veterans Affairs); and
- (2) the Secretary is reasonably ensured that the person—
 - (A) will receive the check or warrant; and
 - (B) will be able to negotiate it for full value.

(d) This section and section 3330 of this title—

- (1) apply to a check or warrant whose delivery may be withheld under Executive Order 8389;